

September 1, 2006

**APPLICATION REQUEST for a
SKILLED NURSING FACILITY or
INTERMEDIATE CARE FACILITY**

This letter is to assist you in preparing a skilled nursing facility (SNF) or intermediate care facility (ICF) licensing and/or certification (for Medi-Cal Title 19 and/or Medicare Title 18) application package to the California Department of Health Services (CDHS) Licensing and Certification (L&C) Program for:

- Initial application package for a SNF or ICF; or
- Change of ownership (CHOW) application package for a SNF or ICF.

A license is required to operate a SNF or ICF in California, which are defined as:

- **SNF** means “a health facility that provides skilled nursing care and supportive care to patients whose primary need is for availability of skilled nursing care on an extended basis,” pursuant to Section 1250(c) of the Health and Safety (H&S) Code.
- **ICF** means “a health facility that provides inpatient care to ambulatory or nonambulatory patients who have recurring need for skilled nursing supervision and need supportive care, but who do not require availability of continuous skilled nursing care,” pursuant to Section 1250(d) of the H&S Code.

An application package is required for: (1) a new (initial) SNF or ICF facility; and (2) within **10 days** whenever a CHOW occurs. A CHOW is the only “change” requiring a new application package to be submitted to L&C, pursuant to Section 72201 of Title 22 of the California Code of Regulations (CCR). All other changes (besides a CHOW) must also be reported to L&C (in writing) within **10 days** of the change, pursuant to Sections 72211 and 73203 of Title 22 of the CCR. These other changes do not require submittal of a new application package.

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For your convenience, the [enclosed checklist](#) has instructions to complete the forms needed for licensing and/or licensing and certification of a SNF or ICF. The [checklist](#) outlines specific items that applicants typically have encountered problems in submitting incorrect or missing information. Please make sure that all item numbers in each form are completely filled out. For example: (1) the applicant's name must be consistently filled in the same throughout the documents in the application package; or (2) in some instances, a specific attachment may need to be submitted with a specific form.

Please NOTE the following:

1. There are some differences between documents required for a CHOW, and "initial" application packages that are noted on the [checklist](#).
2. An initial survey is part of the application process for "initial" or "new" SNF or ICF facility applications.
3. The initial survey is a scheduled survey conducted by L&C district offices and your office.
4. If your agency wants to provide services to **Medicare beneficiaries** (under Title 18) or **Medi-Cal beneficiaries** (under Title 19) you will need an additional **certification survey** that is unannounced and conducted by one of our L&C district offices.
5. Once you have had your initial licensing survey, you need to notify the L&C district office that you are ready and prepared to be certified.
6. In addition, you must be in compliance with state licensing laws and federal conditions of participation.

Please read each required application package form carefully and provide all requested supplemental documents. **DO NOT LEAVE ANY ITEMS BLANK.** **NOTE:** If a question does not apply, please respond with "Not Applicable" or "N.A.". **Do not make changes to these forms.** Do not use white out/correction fluid to make corrections. To correct an error, place a single line through the entry and enter the correct information. The individual responsible for making the correction must initial and date the correction. You should retain a photocopy of the completed documents for your files.

In addition, a check or money order, made payable to the "**California Department of Health Services**" for the licensing fee, determined pursuant to Section 1266 of the H&S Code, must accompany the required forms before your application package will be processed. Because the fees change annually, the current application fee for a SNF or ICF is posted on the L&C Centralized Applications Unit (CAU) website at:

<http://www.dhs.ca.gov/lnc/centapps/licfees.htm>

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The application fee will **NOT** be returned if the application package is withdrawn or denied, pursuant to Sections 72203(a)(2) and 73208(a)(2) of Title 22 of the CCR.

The application package review process will consider the licensee's and board members' prior compliance history of all facilities operated by those individuals in California and nationally. The applicant and associates must demonstrate substantial compliance with state and federal requirements for all facilities that they operate. Failure to demonstrate substantial compliance historically may result in the denial of your application package. You will be notified in writing of L&C intent to deny the application.

All completed SNF or ICF **application packages must be submitted** to the L&C CAU address (regular **or** overnight mail), listed below. Please note that "overnight" mail may actually take longer for the CAU to receive because of our CDHS in-house mail services.

For overnight (FedEx-UPS):

Department of Health Services
Licensing and Certification Program
Centralized Applications Unit
1615 Capitol Avenue, MS 3402
Sacramento, CA 95814

For regular mail:

Department of Health Services
Licensing and Certification Program
Centralized Applications Unit
MS 3402
P.O. Box 997413
Sacramento, CA 95899-7413

The CAU will review the application package for completion and forward it to the appropriate district office once the application package has been given a recommendation of "approved". A list of district offices and appropriate contacts are located on the L&C website at:

<http://www.dhs.ca.gov/lnc/org/default.htm>

The district office will notify you when the application has been approved and will schedule an initial licensing survey. NOTE: YOU MUST BE READY FOR THE INITIAL LICENSING SURVEY AT THIS TIME. It is L&C's policy that, except in unusual circumstances, only one inspection visit will be made. Failure of the facility to be in substantial compliance, at the time of the visit, will result in the "denial" of the application package. Any further activity regarding your request, after such denial, will require a new application package and license fee.

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PLEASE NOTE: Due to State of California budget constraints and lack of resources, application package processing and required licensing and certification surveys for all facility types may be significantly delayed. Approval of an application package will not guarantee that a district office will be conducting the initial licensing and/or certification survey immediately. Initial licensing and certification surveys will be conducted by district offices as workload permits. **A license will not be issued until both the application package is approved and, if required, a successful licensing survey is conducted.** At this point in time, initial licensing and certification surveys are being delayed indefinitely because of federally mandated workload priorities.

If you have any questions, please contact Lisa Hall, Chief of the CAU, at (916) 552-8630 or by e-mail at CAU@dhs.ca.gov.

Sincerely,

ORIGINAL to be SIGNED BY:

Anna Ramirez, Chief
Field Operations Branch—Coastal

Enclosure

SKILLED NURSING FACILITY and NURSING FACILITY

“Provider” Checklist

Form Number	Item Number on Form	Name of Form, Form Number, and Explanation of Specific Requirements and/or Attachments Needed (This checklist identifies specific items that CAU staff has encountered problems with, while reviewing an application package.)	Check List
<u>LICENSURE:</u> Includes the forms and information required to obtain a license to operate a SNF or ICF. All SNFs and ICFs must be licensed.			
HS 200		Application For Facility License (HS 200) NOTE: Please read the instructions on the HS 200 form prior to completion of the form.	
HS 215A		Applicant Information (HS 215A) NOTE: Please read the instructions on the HS 200 form prior to completion of the form.	
HS 309		Administrative Organization (HS 309)	
	Page 1 Item 5	Corporations need to submit: Copy of the Filing Statement from the California Secretary of State Copy of “all” Articles of Incorporation (signed) Copy of By-Laws (signed)	
	Page 2 Middle	California Out-of-State Corporations, LLC, etc. – Submit copy of the Certificate of Qualification from the California Secretary of State.	
	Page 2 Middle	Public Agency -- Submit copy of Resolution. Item 5, under Public Agency, must be completed for profit Corporations & Partnerships.	
	Page 2 Bottom	Partnership – Submit copy of signed Partnership Agreement	
	Page 2 Bottom	If LLC will need to submit: Copy of Filing Statement from the California Secretary of State Copy of Articles of Organization (signed) Copy of Operating Agreement (signed) List of Members / Holders / Officers / Managers	
HS 400		Affidavit Regarding Patient Money (HS 400) Be sure to look at the “chart” on the form regarding “Bond” amounts.	
HS 402		Surety Bond Verification (HS 402) Be sure the form is a Department of Health Services form	
		Signed by the Bonding Agency	
		Possess the embossed seal of the Bonding Agency	
		Contains the original signature of the Bonding Agency Attach an “original” bond or an embossed Power of Attorney	
HS 602		Transfer Agreement (HS 602)	
HS 609	Top Portion	Bed or Service Request (HS 609) Under “Requested Beds” category, “Approved Capacity” should be left blank.	
	Bottom Portion	Leave blank.	

Form Number	Item Number on Form	Name of Form, Form Number, and Explanation of Specific Requirements and/or Attachments Needed (This checklist identifies specific items that CAU staff has encountered problems with, while reviewing an application package.)	Check List
DHS 1051		Civil Rights Compliance Review (DHS 1051) Return to address on last page of the form.	
No Form #		For a CHANGE OF OWNERSHIP, submit all of the forms required for an "Initial" application, listed above, plus the following:	
		Signed and dated copy of any "interim" Management Agreement, if applicable, between current and prospective licensee. The Agreement must state the current licensee still has responsibility for the facility.	
		Written verification by a public accountant (with amount), accounting for all patient monies being transferred to the custody of the new licensee; and	
		Copy of receipt (with amount) signed by the new licensee in exchange for such monies.	
		A letter from the prospective licensee to DHS stating where the stored patient medical records will be maintained, and that the records will be made available to the previous licensee.	
<u>CERTIFICATION:</u> Includes the forms and information required for a SNF or ICF facility to be certified to provide and bill for services under the Medi-Cal Program. Only SNF and ICF facilities intending to bill Medi-Cal need to be certified. (This section is "n/a" if this a "licensed-only" facility.)			
HS 328		Notice -- Effective Date of Provider Agreement (HS 328)	
MC 803	Page 1 Top	Medi-Cal Provider Data Form (MC 803) Insert the "facility" name and address.	
	Page 2 Top	If a Corporation, items (a) and (c) require the same answer.	
	Page 2 Middle	If the "No Interest" box is checked, this portion of the form must be signed in two different places.	
CMS 671		Long Term Care Facility Application for Medicare and Medicaid (CMS 671) On the back of the form "Facility Staffing", if you have inserted a "Y" (for yes) please provide the hours in the appropriate "unshaded" areas.	
CMS 855		Medicare General Enrollment (CMS 855) This form is only available through the Fiscal Intermediary. Once complete, this form must be returned to the Fiscal Intermediary.	
CMS 1561		Health Insurance Benefit Agreement (CMS 1561) Submit two (2) signed copies with "original" signatures.	
		Initial Application: Sign the top signature block entitled "Accepted For The Provider of Services By."	
		Change of Ownership: Sign the bottom signature block entitled "Accepted For The Successor Provider of Services By."	
		Assurance of Compliance (HHS 690) -- 2 "signed" copies plus:	

Form Number	Item Number on Form	Name of Form, Form Number, and Explanation of Specific Requirements and/or Attachments Needed (This checklist identifies specific items that CAU staff has encountered problems with, while reviewing an application package.)	Check List
HHS 690		“Completed” Medicare Certification Civil Rights Information Request	
		“Signed” Certification page (check off list) from the HHS-690 Instruction sheet	
		Provide ALL required items (listed below) checked on the “signed” Certification page (check off list - above):	
		Copy of written Notice(s) of Nondiscrimination.	
		Methods used to disseminate nondiscrimination notice(s).	
		Copies of brochures & newspaper articles used to disseminate nondiscrimination notice(s).	
		Copy of facility admissions policies.	
		Description of procedures used to communicate with persons with limited English proficiency.	
		List of written materials provided & languages for which they are available.	
		Description of procedures used to communicate with persons who are deaf, blind, visually impaired or who have impaired sensory manual or speaking skills.	
		Procedures to disseminate information about existence & location of services & facilities that are accessible to persons with disabilities.	
		If 15 or more employees, name/title & phone number of Section 504 Coordinator.	
		If 15 or more employees, copy of procedures for handling disability discrimination grievances.	
		Copy of policies restricting or limiting admissions on the basis of age.	